

Baker & Hostetler LLP

45 Rockefeller Plaza
New York, NY 10111
Telephone: (212) 589-4200
Facsimile: (212) 589-4201
David J. Sheehan

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC
and the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Adv. Pro. No. 08-01789 (SMB)

Plaintiff-Applicant,

SIPA LIQUIDATION

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

(Substantively Consolidated)

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
of Bernard L. Madoff Investment Securities LLC,

Adv. Pro. No. 10-04478 (SMB)

Plaintiff,

v.

ESTATE OF LEONARD M. HEINE JR.,

SANDRA HEINE, individually, in her capacity as
personal representative of the Estate of Leonard M.
Heine Jr., and as trustee of the trust created under
the Last Will and Testament of Leonard M. Heine
Jr.,

LEONARD M. HEINE JR. CREDIT SHELTER

TRUST,
MICHAEL HEINE,
NANCY ELLEN HEINE MOSKOWITZ,
THOMAS CHARLES HEINE,
CHRISTOPHER ALTMAN HEINE,
ROBERT G. HEINE,
MARJORIE HEINE BERGER,
LAUREN STACEY MOSKOWITZ,
ALEXANDRA DALE HEINE,
MORGAN HALEY HEINE, and
JEFFREY DAVID HEINE,

Defendants.

**STIPULATION AND ORDER FOR VOLUNTARY DISMISSAL WITHOUT
PREJUDICE OF DEFENDANTS ESTATE OF LEONARD M. HEINE JR., LEONARD
M. HEINE JR. CREDIT SHELTER TRUST, MICHAEL HEINE, NANCY ELLEN
HEINE MOSKOWITZ, THOMAS CHARLES HEINE, CHRISTOPHER ALTMAN
HEINE, ROBERT G. HEINE, MARJORIE HEINE BERGER, LAUREN STACEY
MOSKOWITZ, ALEXANDRA DALE HEINE, MORGAN HALEY HEINE, AND
JEFFREY DAVID HEINE**

Irving H. Picard, as trustee (the "Trustee") for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, by and through his counsel, Baker & Hostetler LLP, and defendants Estate of Leonard M. Heine Jr., Leonard M. Heine Jr. Credit Shelter Trust, Michael Heine, Nancy Ellen Heine Moskowitz, Thomas Charles Heine, Christopher Altman Heine, Robert G. Heine, Marjorie Heine Berger, Lauren Stacey Moskowitz, Alexandra Dale Heine, Morgan Haley Heine, and Jeffrey David

Heine (collectively, the “Dismissed Defendants”) (together with the Trustee, the “Parties”), by and through their counsel hereby stipulate and agree to the following:

1. On November 30, 2010, the Trustee filed and served the Complaint against the Dismissed Defendants, which, *inter alia*, sought the recovery of avoidable transfers.
2. On April 17, 2014, the Dismissed Defendants, and other similarly situated defendants, filed motions to dismiss complaints or amended complaints filed against them by the Trustee.
3. On June 2, 2015, the Bankruptcy Court granted in part and denied in part the Motions to Dismiss for reasons set forth in its Memorandum Decision Regarding Omnibus Motions to Dismiss [ECF No. 10089 in Adv. Pro. No. 08-01789 (SMB)] which included, *inter alia*, a dismissal without prejudice of counts seeking to recover subsequent transfers from subsequent transferee defendants, including the Dismissed Defendants, pursuant to section 550(a) of the Bankruptcy Code, and applicable provisions of SIPA including section 77fff-2(c)(3).
4. On September 18, 2015, the Dismissed Defendants served an answer on the Trustee.
5. In accordance with Federal Rule of Bankruptcy Procedure 7041(a)(1)(ii), and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to a dismissal of the Trustee’s claims against the Dismissed Defendants in the above-captioned adversary proceeding, without prejudice to (i) the Trustee’s right to seek to amend in accordance with Rule 15(a)(2) of the Federal Rules of Civil Procedure, made applicable hereto by Federal Rule of Bankruptcy Procedure 7015, and/or (ii) the Trustee’s rights under Section 550(f) of the Bankruptcy Code.
6. Nothing herein shall affect the Trustee’s claims in the above-captioned adversary

proceeding against any defendant other than the Dismissed Defendants, and the Trustee hereby preserves all his rights and claims against any defendant other than the Dismissed Defendants.

7. Upon the dismissal of the Dismissed Defendants, the caption of the Adversary Proceeding is hereby amended to remove the Dismissed Defendants from the caption. The amended caption of the Adversary Proceeding shall appear as indicated in Exhibit A hereto.

8. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

9. This Stipulation may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

[Signature Page To Follow]

Dated: February 12, 2016

BAKER HOSTETLER LLP

By: s/ Dominic A. Gentile
45 Rockefeller Plaza
New York, New York 10111
Telephone: 212.589.4200
Facsimile: 212.589.4201
David J. Sheehan
Email: dsheehan@bakerlaw.com
Keith R. Murphy
Email: kmurphy@bakerlaw.com
Dominic A. Gentile
Email: dgentile@bakerlaw.com

*Attorneys for Plaintiff Irving H. Picard, Trustee
for the Substantively Consolidated SIPA
Liquidation of Bernard L. Madoff Investment
Securities LLC and the Estate of Bernard L.
Madoff*

WARNER & SCHEUERMAN

By: s/ Jonathan D. Warner
6 West 18th Street – 10th Floor
New York, New York 10011
Telephone: 212.924.7111
Jonathan D. Warner
Email: jdwarner@wslaw.com

Attorney for defendants

SO ORDERED

Dated: February 16, 2016

/s/ Stuart M. Bernstein
Honorable Stuart M. Bernstein
United States Bankruptcy Judge